banks for settlement of their accounts. As on 31st December, 2002, public sector banks had issued 15862 notices and have recovered an amount of Rs. 82 crores in pursuance of the said Act.

**Shortfall in Excise Duty collections**

4103. SHRI MURLI DEORA : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) what is the net receipt from Central excise duties during the financial years 2000-2001 and 2001-2002 as against the budget estimates;

(b) the reasons for shortfall, if any;

(c) the increase in value of production in the manufacturing sector as against the increase in Central excise receipts;

(d) the percentage of down fall and the reasons for it;

(e) whether the scheme for levy of duty on the basis of capacity of production on processed fabrics resulted in the fall of revenue collection; and

(f) if so, the steps being taken to plug leakage of revenue ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN) : (a) The budget estimate and net receipts from Central Excise during 2000-01 and 2001-02 and shortfall in net receipts were :

(Rs. crore)

| Year | Budget Estimate* | Net Excise Receipts* |
|---|---|---|
| 2000-01 | 71252 | 68526 |
| 2001-02 | 81720 | 72555 |

*As per Receipts Budget.

(b) Factors attributable to shortfall in revenue collection include sluggishness in industrial production in certain critical sectors of the economy in both years. The moderately low rate of inflation registered in 2001-02 also affected the revenue collection in 2001-02. Besides, the increase in SSI excise duty exemption limit from Rs. 50 lakhs to Rs. one crore in 2000 was also a factor.

(c) The percentage growth over previous year of value of production in the manufacturing sector and central excise receipts are given below :

| Year | % growth of production in manufacturing sector | % growth in excise receipts |
|---|---|---|
| 2000-01 | 5.3 | 10.70 |
| 2001-02 | 2.9 | 5.88 |

(d) The percentage growth in excise revenue collection is higher than percentage growth in value of production in the manufacturing sector for both the years.

(e) This was one of the factors as the capacity based levy was estimated to result in a revenue loss of Rs. 225 crore.

(f) Capacity based levy on processed fabrics was withdrawn in year 2001 and has been replaced with *ad-valorem* rate of duty.

**Private operators in General Insurance**

4104. SHRI EKANATH K. THAKUR : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) the number of private players in General Insurance;

(b) how many of them have made a net profit in the year 2002; and

(c) the performance of public sector undertakings (PSUs) in insurance sector in the year 2002?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) Insurance Regulatory and Development Authority (IRDA) has reported that 8 insurance companies in private sector have been issued registration for underwriting general insurance business.

(b) During the financial year 2001-02, only 6 private non-life insurance companies were operational out of which 2 companies *i.e.* Reliance General Insurance Company and IFFCO Tokyo General Insurance Company made net profits.

(c) During the financial year 2001-02 while New India Assurance Co., Mumbai and United India Insurance Co., Chennai reported net profit of